

Work Session

Agenda Item #	13
Meeting Date	May 9, 2005
Prepared By	Barbara B. Matthews
Approved By	

Discussion Item	City Manager's Quarterly Report and Financial Update
Background	The City Manager has historically provided the City Council with a quarterly report and financial update.
Policy	The City Manager provides the City Council with periodic updates on City activities and programs, as well as the City's financial condition.
Fiscal Impact	None
Attachments	Quarterly Report Quarterly Financial Report
Recommendation	For Discussion Only
Special Consideration	

**CITY MANAGER'S
QUARTERLY UPDATE
JANUARY 16, 2005 – MARCH 31, 2005**

Community Outreach by City Manager

- Met with Paul Folkers, Assistant Chief Administrative Officer for Montgomery County, to discuss a variety of issues
- Attended meeting of the Community Center Liaison Committee and presented information regarding the project
- Met with a representative of the Takoma Arts Guild regarding the new Community Center
- Met with organizers of the Takoma Park Jazz Festival to discuss this year's event
- Participated in discussion and review of pedestrian safety issues on Philadelphia Avenue with Stephanie Yanovitz of SHA, Councilmember Austin-Lane, and other City staff
- Met with representatives of Historic Takoma, Inc.
- Discussed emergency preparedness issues and related forum with members of the Public Safety Citizens' Advisory Committee
- Met with Robert Goldman, President of Montgomery County Housing Partnership, and Jill Goodrich, Director of Operations/Asset Management
- Attended meeting of City staff and members of the Independence Day Committee to discuss this year's event
- Met with Elaine Murphy, City Manager of Hyattsville

Administration

- The City Manager and Community and Government Liaison continued to provide staff support to the Residents' Committee on Tax and Service Duplication Issues. This work required a significant amount of staff resources during the quarter.
- The Community and Government Liaison worked with the City Council, the Maryland Municipal League, staff from Montgomery County and Prince George's County, and interested citizens in support of the municipal electrical aggregation legislation proposed in the State Legislature.
- The City Manager continued to provide oversight of the Community Center project and submitted financial information related to the FY05 bond issue.
- The Community and Government Liaison performed a variety of tasks related to the City's efforts to secure bond bill funds for the Community Center. These efforts were successful and resulted in receipt of \$350,000 in State bond bill funds this session.
- The Information Technology staff completed upgrades of GroupWise email software, Corel WordPerfect 12, and the Pentamotion Community Plus software. Additionally, five servers came on-line. Three existing servers were replaced by new hardware. Two ROAM secure servers were given to the City through a Homeland Security grant.

- The City Manager conducted a recruitment process for the position of Director of Finance. Yovonda D. Brooks was selected for the position. She formerly served as the City Auditor for the City of Baltimore and holds a Master of Business Administration and a Bachelor of Science Degree in Accounting from Morgan State University. Ms. Brooks, a Certified Public Accountant, will join the Takoma Park staff on May 23.
- The City Manager, in conjunction with City staff, began preparation of the proposed budget for FY06.

Communications

- Patrick Rittenhouse was hired as the new Communications Assistant. Mr. Rittenhouse, who previously worked on a part-time basis for the Administration Department, will receive a Bachelor of Arts degree in visual communications in July. He replaces Elizabeth Mosely, who left the City's employment in late February.
- The Communications staff continued its efforts to videotape City and community events. Events covered during the quarter included the annual Jazz Band Brawl, the City-sponsored public forum on rail transport of hazardous materials, the Public Safety Citizens' Advisory Committee's presentation on emergency preparedness, the Y.E.S. League's basketball championship game, the Montgomery County Planning Board's meeting on hospital zoning, and the press conference on municipal electrical aggregation.
- Events covered on Snapshots in February and March included "Community Policing: Who Ya Gonna Call (Parts 1 & 2)" and "Larceny: It Could Happen to You." Additional programs included coverage of the citation issued to the C-SAFE program by Lieutenant Governor Michael Steele, an informational segment on the Gateway and Wayfinding Signage System, and "Living the Dream: Martin Luther King, Jr."

Housing and Community Development

- Five rental properties were placed on the market. Staff notified the tenants of their rights under the Tenant Opportunity to Purchase Law. Tenants at one of the properties responded, indicating an interest in pursuing the purchase of the facility.
- Seven rental facilities were contacted under the Capacity Building Initiative. Assistance was provided to tenants interested in forming a tenant association to address concerns at the property as well as to those interested in forming an association to pursue their rights under the Tenant Opportunity to Purchase Law.
- Seventeen rent increase petitions and nine landlord-tenant complaints were filed during the quarter. Staff successfully resolved the majority of the landlord-tenant complaints without the need for a COLTA hearing.
- Notice was sent to all landlords subject to rent stabilization regarding the annual Rent Stabilization Allowance. The increase of 2.1 percent will become effective July 1, 2005.
- Montgomery County Housing began the second round of multi-family rental annual inspections. Inspections of single-family rental units are underway. Code Enforcement staff continues to meet with the County on a monthly basis to ensure compliance with the terms of the approved MOU.
- In response to an increasing number of illegal accessory apartments in Takoma Park, Code Enforcement staff began working with the County to compile a master list of units approved by County zoning and those that were grandfathered during unification. Properties without the required approvals must apply for a special exception from the Zoning Board.

- Code enforcement staff processed 110 rental housing license applications. Of these, 57% were approved and 43% denied for failure to comply with the requirements of the City's licensing ordinance.
- Work on the Carroll/Laurel Avenue Streetscape project continued. The Farmer's Market was successfully relocated due to the commencement of construction on Laurel Avenue.
- The City entered into a contract with Architectural Graphics, Incorporated to install the first phase of the Gateway Wayfinding sign system. The first phase will include primary gateway signs, historic district tertiary gateway signs, historic district markers, and pedestrian kiosks.
- The Metropolitan Branch Trail work group reached agreement on how to complete the stone dust section of trail. The trail will be paved eight-feet wide and set three feet from the street, with a fence separating the trail from the street. City and Montgomery County staffs are working together to contract for the remaining work, which includes paving, landscaping, and the construction of a retaining wall.

Library

- In January and early February, Library staff devoted considerable time and energy to restoring work areas following the return of files and archived materials from storage. As part of this effort, staff reviewed, sorted through, and reorganized the City's periodical and local history holdings.
- Internationally trained storyteller Arianna Ross entertained adults and children at the Library with two programs on March 1. A program of folktales from fishing villages of the Indonesian coast was followed by a storytelling workshop. The Friends of the Library funded both events.
- The Library and the English Department of Columbia Union College worked together to plan the "Favorite Poem Evening," which features readers and aficionados of poetry.
- Library staff and others began planning for this year's Takoma Park Film Festival. Many individuals have expressed interest in becoming involved since the last festival in November.
- The Friends of the Library have resumed accepting book donations at the Library for another book sale, tentatively scheduled to take place in the fall.

Police

- Calls for service in the first quarter of 2005 totaled 4,172, of which 1,140 were traffic stops. Traffic stops for the same period in the prior year equaled 534. Targeted areas of enforcement included Piney Branch Road, Philadelphia Avenue, New Hampshire Avenue, Carroll Avenue, Flower Avenue, Elm Avenue, and University Boulevard.
- The department continued its efforts to secure grant funding to enhance its operations. The department applied for about \$11,000 under the Local Law Enforcement Block Grant program. A request for \$4,900 has been requested through the Montgomery County Highway Safety Office under the Smooth Operator Program; the monies would be used for traffic enforcement overtime. Roam Secure Alert Network equipment is being obtained, at no cost to the City, through Urban Area Security Initiative (UASI) monies. About \$19,000 of other UASI money is being sought to replace duty belt equipment and to support a radio repeater system for the lower level of the Municipal Building. Earlier this year, approximately \$99,000 in COPS Technology grant money was awarded to the department and will most likely fund digital photography/storage equipment, in car video cameras, voice data recording equipment, and surveillance equipment.
- The quarter was a busy one for the Community-Oriented Policing (COP) Team.

- ❑ Five commercial security surveys were conducted, including one of the City's Public Works facility.
- ❑ In coordination with other patrol officers, they conducted four pedestrian safety enforcement campaigns on Philadelphia Avenue.
- ❑ The COP Team began participation in the Blair Sports Academy, providing role modeling for Blair youths in an after school soccer program.
- ❑ An educational session regarding scams and identify theft was provided to the residents of Victory Housing.
- ❑ The COP Team supported the Taste of Takoma and the Good Friday Cross Carry Procession.
- ❑ Team members took youths to a Washington Wizards game. This event marked the culmination of the Kids and Cops program in which kids obtain trading cards by meeting law enforcement officers. The trading cards are needed to win tickets to the game.
- Significant training occurred during the quarter. Topics covered during the sessions included the use of laser speed measuring devices, Incident Command System training for mid- and upper-level managers, DARE instruction, vehicle theft tactics, domestic violence, and handling the mentally ill.
- The Maryland International Corridor CSAFE initiative was recognized with a Governor's citation for its role in crime prevention and public safety. The Takoma Park Police Department has served as the lead agency since the program began as the first multi-jurisdictional "hotspot" in January 2000.

Public Works

- The Urban Forest Division assisted in the planning and coordination of the annual Arbor Day celebration. The department worked with the Committee on the Environment, the Tree Commission, the Horticulture Club, and others in making arrangements for the event.
- In March, departmental staff completed the renovation of the kitchen at the Heffner Recreation Center. Enhancements included new flooring, cabinetry, and appliances. Additionally, the entry doors to the building were replaced.
- Curb, gutter, and sidewalk renovations on Larch Avenue, Hopewell Avenue, and the New Hampshire service road were completed in March. The City Engineer completed planning efforts for this year's paving season, which runs from April through October.
- Departmental staff addressed a significant number of snow events and one ice with freezing rain occurrence. In each instance, the department implemented the Snow Removal Annex of the City's Emergency Management Plan. Crews exceeded the standard that calls for the plowing and or treating at least one lane to asphalt within 12-24 hours past the end of the snowfall in each instance. In most cases, the City's roadways were plowed to standard within six hours. Other departmental employees cleared at least 25 public sidewalks or other surfaces after each event. This level of performance ranks among the best in the metropolitan area.
- The Gardens Division removed leaves from the approximately 40 gardens in the City. Staff also removed snow and ice from sidewalks during the quarter.

Recreation

- Staff received training in the new Pentamation module. The module is designed to streamline registration procedures for our participants. The database interfaces with the City's accounting software, thereby improving tracking and reporting.

- The Director of Recreation attended training regarding revenue generation. The training, which was sponsored by North Carolina State University, focused on developing strategies, concepts, policies, and innovations to better manage recreation and facilities programs and budgets. Over 75 participants attended from all over the United States
- Recreation Department staff researched the practices and procedures of other communities as part of the operational planning for the new Community Center. Major areas of emphasis included rental policies, registration procedures, staffing requirements, and operational strategies. This information was provided to the City Council during a work session on February 22.

CITY OF TAKOMA PARK
GENERAL FUND
FINANCIAL REPORT
FOR THE NINE MONTHS
ENDED MARCH 31, 2005

EXECUTIVE SUMMARY

The General Fund supports the day-to-day activities of the City, such as police protection, street and park maintenance, and general administrative functions. The General Fund's activities are supported primarily from two sources: taxes and utility fees and intergovernmental revenues.

Certain General Fund revenues are cyclical in nature. For example, property tax receipts and tax duplication payments are received during a certain period of time during the year. Other revenue sources are received on a monthly basis and, as a result, are more evenly distributed throughout the fiscal year.

The largest single source of revenue for the City's general operations is real property taxes. Based on billing information provided by Montgomery County, total collections are anticipated to total \$6,870,060. This represents an increase of approximately \$56,000 over budgeted revenues from this source. Two factors may impact the ultimate receipts received by the City. One is the collection rate for the current fiscal year. Also, there may be delinquent payments from prior years that are received in FY05.

Additional areas of interest relative to General Fund revenues include the following:

- Highway user revenues were \$118,584 higher than those received as of March 31, 2004.
- Tax duplication payments received from Montgomery County increased \$413,440 from the prior year.
- Monies from inspection fees and waste collection charges were considerably lower than those received as of March 31, 2004. The variance is attributable to a billing delay to allow for an update in the relevant database.
- Cable franchise fees were down by approximately \$45,000 compared to the prior year. This appears to be merely a matter of timing in regard to the receipt and posting of the most recent quarterly payment.

Like General Fund revenues, not all fund expenditures occur evenly throughout the fiscal year. For example, contributions to the City's two pension plans and payment for worker's compensation insurance are made in December. This can result in "peaks" in expenditures at certain times during the fiscal year.

General Fund expenditures as of the close of the third quarter totaled \$10,230,164 compared to \$10,018,293 in FY05. The variance is primarily due to an increase in personnel-related expenditures, including salaries and fringe benefits.

Note: For consistency purposes, this report has been prepared employing the methodology and categories utilized in the City's General Purpose Financial Statements. Loan proceeds are reflected in the "Other Financing Sources (Uses)" category while any use of fund balance to support current year operations is shown as a reduction in the fund balance. The appropriation from the fund balance is not reflected in this report as the amount is determined at year-end, once total revenues and expenditures are known. Also, the FY05 budget includes certain transfers from the General Fund to both the Special Revenue Fund and the Community Center Fund; the budget reflected these items as expenditures. The City's General Purpose Financial Statements classify these transfers as "Operating Transfers Out" rather than expenditures. Consequently, these transfers, totaling \$699,774, are not included in this report.

**GENERAL FUND REVENUES
FOR THE NINE MONTHS ENDED
MARCH 31, 2005**

REVENUES BY SOURCE:	Budgeted FY 2005	Actual To Date	Uncollected Revenue	% Collected	Prior Year Actual To Date	Change from Prior Year
<u>Taxes and Utility Fees</u>						
Real Property	6,814,293	6,870,060	(55,767)	100.82%	6,121,195	748,865
Personal Property	380,000	267,238	112,762	70.33%	248,512	18,726
RR and Public Utilities	167,805	213,080	(45,275)	126.98%	2,399	0
Penalties and Interest	32,000	16,247	15,753	50.77%	23,559	(7,312)
Admission and Amusement	100	0	100	0.00%	38	(38)
Additions and Abatements	0	(24,716)	24,716	n/a	(9,298)	(15,418)
Highway	355,786	314,033	41,753	88.26%	195,449	118,584
Income Tax	1,481,000	849,515	631,485	57.36%	828,149	21,366
Total--Taxes and Utility Fees	9,230,984	8,505,457	725,527	92.14%	7,410,003	884,773
Licenses and Permits	46,000	13,611	32,389	29.59%	23,517	(9,906)
Fines and Forfeitures	162,500	135,078	27,422	83.12%	85,635	49,443
Use of Money and Property	123,000	92,947	30,053	75.57%	45,033	47,914
<u>Charges for Services</u>						
Inspection Fees	258,500	266	258,234	0.10%	170,122	(169,856)
Donations	5,000	2,315	2,685	46.30%	10,135	(7,820)
Steve Francis Foundation	0	0	0	n/a	2,500	(2,500)
Public Parking Facilities	54,000	28,227	25,773	52.27%	29,976	(1,749)
Waste Collection & Disposal Charges	85,000	(2,875)	87,875	-3.38%	79,690	(82,565)
Recreation Programs and Services	219,000	175,635	43,365	80.20%	141,632	34,003
Total--Charges for Services	621,500	203,568	417,932	32.75%	434,055	(230,487)
<u>Intergovernmental Revenues</u>						
Police Protection (State)	388,375	194,072	194,303	49.97%	212,764	(18,692)
SCCP Grant	3,015	3,500	(485)	116.09%	305	3,195
Bank Share Tax	5,643	5,643	0	100.00%	5,643	0
Library Aid	89,674	90,482	(808)	100.90%	89,674	808
Police Rebate	495,585	454,884	40,701	91.79%	453,807	1,077
In Lieu of Police	2,061,676	2,061,318	358	99.98%	1,754,320	306,998
In Lieu of Roads Maintenance	339,903	339,903	0	100.00%	250,923	88,980
In Lieu of Parks Maintenance	71,740	71,740	0	100.00%	69,786	1,954
In Lieu of Crossing Guard	121,738	121,738	0	100.00%	107,307	14,431
Revenue Authority--In Lieu of Taxes	22,000	0	22,000	0.00%	5,200	(5,200)
Takoma/Langley Rec. Agreement	100,000	25,000	75,000	25.00%	25,000	0
Hotel Motel Tax	53,000	40,484	12,516	76.38%	40,481	3
Cable Franchise Fees	117,220	76,179	41,041	64.99%	121,028	(44,849)
Cable--Operating	57,711	14,500	43,211	25.13%	14,146	354
Total--Intergovernmental Revenues	3,927,280	3,499,443	427,837	89.11%	3,150,384	349,059
<u>Miscellaneous</u>						
Sales of Impounded Equipment	2,000	0	2,000	0.00%	15	(15)
Advertising--Bus Shelters	4,000	4,492	(492)	112.30%	8,811	(4,319)
Farmer's Market	3,500	0	3,500	0.00%	3,269	(3,269)
Other	35,000	18,627	16,373	53.22%	41,459	(22,832)
Telephone Commissions	1,000	187	813	18.70%	489	(302)
Recyclable Sales	1,000	5,262	(4,262)	526.20%	349	4,913
Insurance Claims	1,000	17,767	(16,767)	1776.70%	22,496	(4,729)
Mulch Sales	12,000	2,065	9,935	17.21%	4,390	(2,325)
Passport Services	30,000	19,171	10,829	63.90%	23,847	(4,676)
Takoma Langley Crossroads	3,333	0	3,333	0.00%	0	0
Special Trash Pickup	8,000	5,112	2,888	63.90%	5,015	97
Sales Tax	0	23	(23)	n/a	143	(120)
WSSC	0	72,253	(72,253)	n/a	74,832	(2,579)
Edinburgh House PILOT	3,500	0	3,500	0.00%	0	0
Total--Miscellaneous	104,333	144,959	(40,626)	138.94%	185,115	(40,156)
Total Operating Revenues	14,215,597	12,595,063	1,620,534	88.60%	11,333,742	1,261,321
Loan Proceeds	2,005,000	2,005,000	0	100.00%	40,000	1,965,000
Total Revenues	16,220,597	14,600,063	1,620,534	90.01%	11,373,742	3,226,321

**GENERAL FUND EXPENDITURES
FOR THE NINE MONTHS ENDED
MARCH 31, 2005**

DEPARTMENT:	Budgeted FY 2005	Expenditures To Date	Available Balance	% Unexpended	Prior Year Actual To Date	Change from Prior Year
<u>General Government</u>						
Human Resources	124,025	82,888	41,137	33.17%	0	82,888
Legislative	73,350	41,131	32,219	43.93%	61,352	(20,221)
General Management	704,508	595,105	109,403	15.53%	791,911	(196,806)
Finance	537,954	384,936	153,018	28.44%	250,630	134,306
Legal	125,000	91,068	33,932	27.15%	123,948	(32,880)
Information Systems	201,612	176,219	25,393	12.59%	185,916	(9,697)
Total--General Government	1,766,449	1,371,347	395,102	22.37%	1,413,757	(125,298)
<u>Public Safety</u>						
Office of the Chief	432,445	334,609	97,836	22.62%	351,502	(16,893)
Communications	348,645	222,214	126,431	36.26%	253,608	(31,394)
Operations	2,419,851	2,089,805	330,046	13.64%	1,813,828	275,977
Support Services	573,667	325,726	247,941	43.22%	405,895	(80,169)
Administrative Services	655,839	426,069	229,770	35.03%	386,323	39,746
Total--Public Safety	4,430,447	3,398,423	1,032,024	23.29%	3,211,156	187,267
<u>Public Works</u>						
Office	274,630	217,801	56,829	20.69%	261,899	(44,098)
Building Maintenance	507,028	398,915	108,113	21.32%	337,844	61,071
Equipment Maintenance	411,413	330,837	80,576	19.59%	296,435	34,402
Right of Way	787,820	639,737	148,083	18.80%	576,447	63,290
Solid Waste Management	733,229	535,575	197,654	26.96%	528,504	7,071
Urban Forest	295,744	240,739	55,005	18.60%	224,836	15,903
City Engineer	198,870	114,476	84,394	42.44%	99,848	14,628
Total--Public Works	3,208,734	2,478,080	730,654	22.77%	2,325,813	152,267
<u>Recreation</u>						
Administration	331,722	257,051	74,671	22.51%	239,941	17,110
Outreach	173,573	84,873	88,700	51.10%	103,132	(18,259)
NH Recreation Center	173,204	122,697	50,507	29.16%	124,408	(1,711)
Community Programs	73,689	53,684	20,005	27.15%	53,147	537
Facilities/Athletic	74,048	25,227	48,821	65.93%	34,633	(9,406)
Camps	78,743	60,242	18,501	23.50%	54,660	5,582
After School Programs	65,351	33,394	31,957	48.90%	30,314	3,080
Community Center	75,064	0	75,064	100.00%	0	0
Total--Recreation	1,045,394	637,168	408,226	39.05%	640,235	(3,067)
<u>Housing & Comm. Dev.</u>						
Code Enforcement	289,962	199,382	90,580	31.24%	182,987	16,395
Landlord Tenant	116,192	81,324	34,868	30.01%	66,353	14,971
COLTA	82,503	72,056	10,447	12.66%	52,832	19,224
Community Development	234,786	165,538	69,248	29.49%	162,583	2,955
Administration/Planning	101,776	62,195	39,581	38.89%	55,877	6,318
Grants Management	96,943	64,732	32,211	33.23%	44,990	19,742
Outreach	0	0	0	n/a	11,910	(11,910)
Affordable Housing	72,445	38,665	33,780	46.63%	58,371	(19,706)
Total--Housing & Comm. Dev.	994,607	683,892	310,715	31.24%	635,903	47,989
Media	326,160	234,774	91,386	28.02%	212,384	22,390
Library	817,766	519,615	298,151	36.46%	485,312	34,303
Debt Service	312,735	144,594	168,141	53.76%	161,915	(17,321)
Non-Departmental	1,217,120	370,878	846,242	69.53%	429,643	(58,765)
Capital Outlay	2,569,000	391,393	2,177,607	84.76%	502,175	(110,782)
Total	16,688,412	10,230,164	6,458,248	38.70%	10,018,293	211,871